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**"Solomon: NCND Will Remain an Aspect of US Policy."**

WORLDNET interview of Assistant Secretary of State Richard Solomon concerning the effect of President Bush's unilateral nuclear arms reduction initiative proposal on the neither-confirm-nor-deny policy on nuclear naval vessels. (911018)

**Text:** \*EPF505 10/18/91 \* SOLOMON: NCND WILL REMAIN AN ASPECT OF U.S. POLICY (Transcript: Solomon Worldnet of Oct. 18) (8050)

Washington — **The neither-confirm-nor-deny policy on whether or not U.S. naval vessels are nuclear-armed will continue to be an aspect of U.S. policy, according to Richard Solomon, the assistant secretary of state for East Asia and Pacific Affairs.**

"But," he added during a Worldnet interview with audiences in East Asia and the Pacific during the evening of October 17, "we're very fortunate to have a situation now where we are seeing all the tactical nuclear weapons now withdrawn from forward land deployments and from our naval vessels. We hope that this is a stabilizing development in many parts of the world.

**Solomon had been asked the following question by a member of the Worldnet audience in Wellington:**

Q: Wellington journalist: "President Bush's nuclear initiatives mean that for the future, the majority of U.S. naval vessels won't be nuclear armed and that's prompted the acknowledgement that the neither confirm nor deny policy will eventually become redundant. In those circumstances, what is there now to prevent a visit to a New Zealand port by a conventionally powered vessel that is clearly not nuclear armed?"

Solomon's response included these additional points:

"Well, first of all, you're implying that NCND will just disappear, and the president's initiative makes clear that it is the case that under normal circumstances our naval ships of the surface navy will not carry nuclear weapons. And at the same time, we live in a world where as we saw in the Gulf crisis, as we see in other parts of the world, conflicts, even those with nuclear dimensions to them, proliferation problems, will remain. And the president has reserved the right in emergency situations to consider other actions that could include redeployment.....

"Now, as far as your questions about ship visits, you're really raising a question about could we go back to an alliance relationship just on a conventional ship visit basis? And here again, I think you understand that our interest is in having allies who will across the board share burdens equally, that one ally doesn't feel that another is carrying less or more of the burden.

"We think that New Zealand now is in a point of time where serious thinking seems to be given to the changes in

GE 2 EPF505 American policy. My understanding is that Prime Minister Bolger has put together a cabinet commission that will be reviewing issues related to nuclear safety. We welcome this reconsideration. And as I indicated during my visit to New Zealand during the summer, we welcome serious debate and consideration of the these issues.

"And I think beyond that, at this point, we should let the government and the people of New Zealand assess the situation, come to their own conclusions and we look forward when — to the time when New Zealand could again become an active member of **ANZUS** on the same basis that Australia or any other allied country would cooperate with us.

"We think that's in our mutual interests, but this is an issue for the government and the people of New Zealand to decide among themselves."

Following is transcript:

(begin transcript)

WORLDNET UNITED STATES INFORMATION AGENCY Television and Film Service Washington, D.C.

GUEST: Richard Solomon, Assistant Secretary of State for East Asian and Pacific Affairs

TOPIC: Asia-Pacific Security

HOST: Jack Reynolds

INTERACTIVE POSTS: Kuala Lumpur, Wellington, Jakarta and Hong Kong

TIME: 9pm-10pm.

ANNOUNCER: Now, from our studios in Washington, DC, here is your moderator, broadcast journalist Jack Reynolds.

MR. REYNOLDS: And welcome to WORLDNET's "Dialogue."

Today for our international audiences and participants in Kuala Lumpur, Wellington, Jakarta and Hong Kong, we present a program on Asia-Pacific security, how the many changes taking place around the world affect security in this critical region.

To discuss this topic, we're honored to have with us Dr. Richard Solomon, Assistant Secretary of State for East Asia and Pacific Affairs.

Dr. Solomon, welcome back to WORLDNET's "Dialogue."

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Good to see you again, Jack.

REYNOLDS: Now, let's begin our discussion with our participants in Kuala Lumpur. Kuala Lumpur, go first, please.

Good morning from Kuala Lumpur, and good morning to you, Dick. I'm glad to see you again. This is — (name inaudible).

Dick, I have a question — (inaudible) — to the old question of Indochina developments and your own participation in Cambodian peace-making process. I see the emergence basically of a final Vietnamese condominium making sure that what's going on in Cambodia fits the interest of both Hanoi and Beijing. And I'm not so sure whether that's a very good thing for the Asia-Pacific region as a whole. I wonder if I can get a view from Washington on that?

MR. SOLOMON: Well, I know that during the summer months, particularly after it became evident following the Vietnamese seventh party congress that Beijing and Hanoi would be improving their relations, there was some concern about a so-called "red solution" in the Cambodia conflict.

Now, my impression is that that is not the direction things are headed in. It's clear that both China and Vietnam, as two important countries that border in this area or have territory in the area, will have significant influence about developments in Indochina. But the fact is that you're going to have a UN settlement plan. The Permanent Five will be very active over the next year and a half or so in making sure that the plan is implemented as it was agreed upon by the Security Council, the General Assembly, and we hope when it is signed next week in Paris.

In addition, you have a country like France that wants to become very active in the region. Japan has strong interests there. And, of course, the ASEAN countries as well want to see a new situation created in Indochina.

So I just do not believe that China and Vietnam will exercise such strong influence that all these other organizations and countries will not make their influence felt.

In short, we now have a situation where through the United Nations we have a way of ending the conflict over Cambodia which was partly internal and partly a reflection of Sino- Vietnamese differences. And the United Nations will help to ensure a fair solution. We hope it will be a stable one. And in that context, we believe that all the countries associated with the settlement will in one way or another be active there.

GE 4 EPF505 So, it seems to me that excludes the idea of China and Vietnam exercising predominant influence in Indochina.

MR. REYNOLDS: Kuala Lumpur, thank you. And, Wellington, would you go ahead please?

Q: (Name inaudible) — from Wellington, New Zealand. Dr. Solomon, President Bush's nuclear initiatives mean that for the future, the majority of US naval vessels won't be nuclear armed and that's prompted the acknowledgement that the neither confirm nor deny policy will eventually become redundant.

In those circumstances, what is there now to prevent a visit to a New Zealand port by a conventionally powered vessel that is clearly not nuclear armed?

MR. SOLOMON: Well, first of all, you're implying that NCND will just disappear, and the President's initiative makes clear that it is the case that under normal circumstances our naval ships of the surface navy will not carry nuclear weapons. And at the same time, we live in a world where as we saw in the Gulf crisis, as we see in other parts of the world, conflicts, even those with nuclear dimensions to them, proliferation problems, will remain. And the President has reserved the right in emergency situations to consider other actions that could include redeployment.

So, that the neither confirm nor deny policy will remain as one aspect of our policy, but we're very fortunate to have a situation now where we are seeing all the tactical nuclear weapons now withdrawn from forward land deployments and from our naval vessels. We hope that this is a stabilizing development in many parts of the world.

Now, as far as your questions about ship visits, you're really raising a question about could we go back to an alliance relationship just on a conventional ship visit basis? And here again, I think you understand that our interest is in having allies who will across the board share burdens equally, that one ally doesn't feel that another is carrying less or more of the burden.

We think that New Zealand now is in a point of time where serious thinking seems to be given to the changes in American policy. My understanding is that Prime Minister Bolger has put together a cabinet commission that will be reviewing issues related to nuclear safety. We welcome this reconsideration. And as I indicated during my visit to New Zealand during the summer, we welcome serious debate and consideration of the these issues.

And I think beyond that, at this point, we should let the government and the people of New Zealand assess the situation, come to their own conclusions and we look forward when — to the time when New Zealand could again

GE 5 EPF505 become an active member of **ANZUS** on the same basis that Australia or any other allied country would cooperate with us.



We think that's in our mutual interests, but this is an issue for the government and the people of New Zealand to decide among themselves.

MR. REYNOLDS: Wellington, thank you. Let's move now to Jakarta. Jakarta, go ahead, please.

Q: (Inaudible.)

MR. REYNOLDS: Jakarta, we're having some audio problems. We will come back to you.

Hong Kong, let's turn to you for a question. Go ahead, please.

Q: Dr. Solomon — (name inaudible) — from Hong Kong, LTHK. (Inaudible) — you state a position of the United States on the orderly repatriation of Vietnamese boat people who have been screened out as — (inaudible) — refugees in Hong Kong? And if your — I mean, if the position is negative to the orderly repatriation, please give the rationale behind. And do you think it is unfair to Hong Kong?

MR. SOLOMON: I think the United States' position has been clear for a long time. We are opposed to the forced repatriation of people from Hong Kong back to Vietnam particularly given the current circumstances in that country. However, we have collaborated with many other countries in terms of the comprehensive plan of action, and we have understood Hong Kong's problems and to the extent that there were voluntary returnees, those who did not object, we certainly prepared to see that — a return on that basis, particularly where you had a monitoring of those who have returned by the UNHCR, the — or by the International Organization on Migration.

Our impression is that the procedures that have worked within that framework have done rather well, although we are quite aware of the fact that there have been large numbers of Vietnamese coming back, some of them so-called "double backers."

So, within that framework, that is the US not supporting the idea of forced repatriation but of encouraging people within the framework of voluntary returns, those who do not object, we believe that the problem can be dealt with.

Let me add that with our hope for settlement of the Cambodian agreement and what will hopefully be a new era in Indochina, we hope that over the coming months and several years that the environment in Vietnam, Cambodia, will

GE 6 EPF505 change and that the substantial flows of refugees will diminish, people will want to go back in a context where we are going to see hopefully a turn away from conflicts and to economic development, national reconstruction which will be a much more positive environment for everybody.

MR. REYNOLDS: Hong Kong, thank you. Let's go back now to Jakarta. Jakarta, go ahead, please.

Q: Good evening, Mr. Solomon. I am — (name inaudible) — Indonesia, Jakarta.

My first question is how relations between Asia and Pacific countries has improved, and (these?) few political changes have encouraged you to cut the US military presence in the region by 10 percent. What I want to know why only 10 percent, not more? Thank you.

MR. SOLOMON: I think as we look at our military needs in the Asia-Pacific region we have to focus on what have been our primary areas of concern and I should emphasize the military confrontation on the Korean peninsula. But our role in the region has been that of, as we say, a balance wheel, a balancer, helping to stabilize the region in part through our naval presence and our cooperation with many of the states in the region.

We find that our presence is welcomed, but we also find that where in circumstances where with the end of the Cold War, with the process of solving the Cambodia situation now much further advanced, and with the general mood of reducing tensions, we are in a position where we can consider some reduction in our forward-deployed military presence.

We laid out a phase one reduction, which you've mentioned. It's roughly 10 or 12 percent of our — our forces, and we are about to enter into a second phase consideration of the defense needs that we and our allies and friendly states in the region feel is appropriate to this balancing role that the United States plays.

The administration's made clear that it intends to maintain a security presence in the region, both because of our view that our stabilizing role in the region is useful certainly to our interests and because it is welcomed by almost all the states of East Asia and the Pacific.

How much of a further reduction beyond the 10 or 12 percent we've already undertaken would be appropriate in the situation has not yet been decided. That will be a matter of ongoing assessment as we look at further changes in the global environment,

it will be a matter of discussion with our allies and friends. So there could be some further reduction.

GE 7 EPF505 But I should emphasize that the United States is in East Asia and the Pacific area for the long run. This is an extremely important region economically, politically, and we want to see the stability that has existed now for many, many years maintained.

MR. REYNOLDS: Jakarta, tank you, and let's go now to Kuala Lumpur.

Q: Dr. Solomon, good morning. I'm — (name and affiliation inaudible) — Malaysia. Assuming that the election in Cambodia goes ahead and a new government is in place, what international mechanism is there, if any, to ensure that the Khmer Rouge do not assert themselves through extra-constitutional means in — over time and secondly, to make sure that they do not try to influence the outcome of the election illegally, especially given the recent action of arbitrarily (inducting?) the representatives of — (inaudible) — Thailand, and also the history and their discipline, their military force, and so on, destruction and everything else? Thank you.

MR. SOLOMON: As you know, this gets to the heart of our policy in the Cambodian settlement process. And it has been our view that for the — if the warfare continued in the way that it had over the past decade, this was the environment in which the Khmer Rouge being the most effective guerrilla fighting force could have staged a violent return to power. And this is something we were opposed to.

We believe that the UN settlement plan is the best basis for creating a stable environment in Cambodia in which the Cambodian people will have the opportunity to express their own political views without threat of force, intimidation, and in which the international community so deeply concerned about the genocidal violence of the 1970s will play a continuing role in monitoring the situation in Cambodia.

There's a very strong human rights element in the settlement process that will be signed in Paris next week, and it includes a number of measures which will enable many countries through the United Nations or as a result of their own action to speak up or to consider other forms of reaction if there are very serious violations of human rights in Cambodia.

For example, there is the possibility of having a human rights rapporteur, someone who on behalf of the international community could visit Cambodia, as someone recently did in the case of Burma, and report back to the United Nations about the human rights situation. And then the world community through the UN could take appropriate actions.

GE 8 EPF505 It's that sort of thing that is embodied in the Cambodia settlement plan that gives us some confidence that Cambodia will be stabilized as a result of the UN settlement process. We, frankly, doubt that the Cambodian people will express much support for the Khmer Rouge in the elections, given their violent history, and in this context we believe a legitimate government could emerge from the elections that would have broad international support, support that would be backed up by the UN settlement process.

MR. REYNOLDS: Dr. Solomon, while we're waiting for Kuala Lumpur to come back up again, let me ask you what you think the — what has been the roadblock up until now and when did you feel that the beginning of the solution to Cambodia was at hand?

MR. SOLOMON: Well, it really wasn't until August of this summer that we really saw everything come together. But what was remarkable was that for a year and a half, the Permanent Five members of the Security Council reached a consensus among themselves, but it was really after the Vietnamese party congress and the substantial improvement in relations between China and Vietnam that we saw everything really come together, that we saw the four Cambodian factions begin to cooperate in the settlement effort.

MR. REYNOLDS: And you feel that that cooperation is genuine cooperation. It seems to me that Prince Sihanouk has tap-danced in and out of that settlement a number of times, but you have a sense now that that is all serious on all parties concerned?

MR. SOLOMON: Well, I think everyone feels a serious set of concerns about ending the conflict by military means and bringing about a political resolution. However, we fully understand that the various factions probably deeply distrust each other. Breaking down that distrust, given the conflict and the violence of the past, is going to take quite some time.

And that's why the UN presence in Cambodia for a year and a half or so, in our view, is going to be very important to enable the factions to develop over time the habit of cooperation and to enable the international community to help Cambodia rebuild what we hope will be stable political institutions that will replace the factional violence of the past.

But it's a risky — a risky process and no one doubts its difficulties.

MR. REYNOLDS: Thank you very much. And, Kuala Lumpur, back to you.

Q: (Inaudible) — modeled on that of the CSCE. Thank you.

MR. REYNOLDS: Kuala Lumpur, excuse me. Could you repeat that question again, please? We got just the very end of it.

Q: Dr. Solomon, my name is — (name inaudible) — of the University of Malaya. I'm doing it very happily for the third time. I think there are some technical problems.

All the same, I will repeat the question. My question focuses on US-Soviet relations and its impact on Asia-Pacific security.

The Asia-Pacific region, as we all know, has until recently been an area of intense US-Soviet rivalry. Do you consider that rivalry to be over with the death of the old Soviet Union? Can the world expect a new era of Soviet-American cooperation to foster confidence-building and conflict reduction in this region, vetted in the direction of a CSCA, modeled on that of the CSCE? Thank you.

MR. SOLOMON: Thank you for your question.

I would certainly agree that in the past year we've seen a profound improvement in the US-Soviet relationship and that this will have very important implications for Asia.

That new relationship has been evident in the substantial cooperation we have experienced with our Soviet colleagues in putting together the Cambodia settlement process. And, of course, we're seeing evidence of that cooperation in many other parts of the world during the Gulf crisis, now in terms of Middle East diplomacy, and developments in Europe, as well.

You have then asked me whether this could lead to some kind of institutional procedure such as we had in Europe in the CSCE process.

As I think you're aware from public statements by a number of American officials, including a speech I gave on this topic out in California a year ago, in our view the thing that is going to pull the Asia-Pacific region together in a positive way is economic cooperation rather than security cooperation. And that is why the United States, why Secretary Baker has given such encouragement to APEC, to the Asia-Pacific Economic Cooperation initiative that was launched in Canberra in November of 1989.

APEC now is headed in a direction which we believe, through its various working groups, through its expanding membership which will soon include China, Taiwan and Hong Kong, that economic forces are the binding factor, the glue that will hold the Asia-Pacific region together in a positive way. Unlike security issues in which there is seen to be a threat that leads people to pull together, economic development is something very positive in which everybody benefits.

And so that is why APEC, rather than a security forum of some sort, is, in our view, the basis upon which the Asia-Pacific region will come together and will go through a new cycle of development to build on the really dramatic economic progress we've seen in the region over the last 20 years.

MR. REYNOLDS: Kuala Lumpur, thank you very much. Wellington, you have some questions for us.

Q: Dr. Solomon — (name inaudible) — from Television New Zealand. You said to Jim McClay (sp) earlier on that you looked forward to New Zealand becoming a full member of **ANZUS** on the same basis as Australia. Now, you referred also the New Zealand government's recent initiatives with respect to nuclear propulsion. But I wonder whether you could spell out what the New Zealand government needs to do to become a full member of **ANZUS** on the same basis as Australia?

MR. SOLOMON: Well, I think as I indicated earlier, what we hope is that in the wake of the President's September 27th initiative, that some of the new thinking we might want to call it, that I certainly felt that during my trip to New Zealand in the summer months would be accelerated a bit.

As I've indicated, we maintain alliance relationships on the basis of all our allies sharing equal responsibilities and gaining what we hope will be equal benefits. We have made clear what our considerations are for all our allies to cooperate, but we think at this point the ball is really in New Zealand's court. The President has made his initiative, and our impression is that the Bolger government is giving serious consideration to the implications of our policy change. We've seen it now focused on the issue of nuclear-powered warships, and we will watch and wait and see how the commission that has been put together evaluates this situation.

It's clear that an alliance relationship really wouldn't work if our ships could pull into some harbors in one country but not another. And as I suggested during my speech in Auckland, we would think the people of New Zealand would understand that they — as they did in the Persian Gulf crisis — are prepared to contribute to the collective security on the basis that our other allies were, and that special consideration is really not a good basis for a broad-based alliance.

Our alliance relations have brought about tremendous progress in recent years with the ending of the Cold War

\* PAGE 11 PAGE 11 EPF505 and all of the developments in terms of arms control measures and the kinds of policy initiatives that President Bush undertook.

So, I frankly like the statement that the Prime Minister made about maybe others could be as bold as President Bush has been in rethinking new opportunities. And on that basis, collaborating with us on the same basis of our other allies, we would welcome New Zealand back into **ANZUS**.

Q: Dr. Solomon — (name inaudible) — again from Wellington. You referred to an alliance relationship on the same basis as with other allies, and obviously in the New Zealand context, that must mean Australia.

That country has, of course, its own anti-nuclear legislation built around essentially a domestic ratification of the South Pacific Nuclear Free Zone Treaty. Are you suggesting that that sort of legislation from New Zealand would be a credible and long-term indication that, in fact, we were a reliable long-term trading partner?

MR. SOLOMON: Well, you're getting off into some technicalities about Australian legislation which I don't think I'm familiar enough to pursue in great detail. Let's just say some aspects of our defense policy of the sort that could even relate to nuclear free zones now is clearly part of a broad reconsideration. But I should emphasize that certain elements of our policy will remain constant, and I've emphasized that NCND is likely to be — be part of this.

But the key point is that if you're going to have an alliance, you can't have one member carry part of the load and another member carrying another part of the load. It just doesn't work that way. And so on that basis, we look forward to a reconsideration in New Zealand in its own good time that would make possible cooperation with us on the same basis that Australia or any other ally would collaborate with us.

Q: Dr. Solomon — (name inaudible) — again. You were talking to Kuala Lumpur about the wider question of Asia-Pacific security and saying that economic relationships were the glue that was binding — would bind countries in the region together in the future. You talked about APEC. What relevance then does a treaty like **ANZUS** which was signed in 1951, primarily as an anti-Japanese treaty, what relevance does it have in, say, the last part of the 20th century? And what sort of security agreements and what sort of economic agreements is the United States going to be looking for in this region in, say, the early part of the next century?

MR. SOLOMON: Well, of course, the original conception of **ANZUS** which you've mentioned is clearly out of date. But in our view, **ANZUS** has been very much a factor for stability in the South Pacific.

And as we have seen as the Soviet challenge has receded, the importance of regional stability being maintained through a loose alliance network in a region that is as diverse as the Asia-Pacific area with its great geographical expanse, its many cultural differences, differences in history, the lack of compactness and common history that we've had in Europe, that the idea of this loose set of alliance relationships throughout the region contributing to stability, preventing, if you like, a vacuum which might invite various other powers to get involved and create uncertainty, and in which you have some subregional problems.

In Northeast Asia, you have the Korean confrontation. In Southeast Asia you have the disputes over the islands in the South China Sea. Each subregion seems to have its own problems. In this context, we believe that **ANZUS** has potentially an ongoing useful role to play in stability in the region. You all, of course, are concerned about the developments in your neck of the woods, in your region. You've played a useful role, for example, in the situation in Papua, New Guinea, with the conflict over Bougainville (ph). And we believe that **ANZUS** in this context could help play a useful stabilizing role.

And it's in that context that if the New Zealand government and people conclude that they can make adjustments in their anti-nuclear legislation that will enable this equal participation in **ANZUS**, we would welcome reactivation of the alliance on a three-way basis.

MR. REYNOLDS: Wellington, thank you very much. And let's go back now to Jakarta.

Q: (Inaudible.)

MR. REYNOLDS: While we're waiting for that to get sorted out, what — somebody mentioned American policy in the next century. Is it possible to look that far ahead given what you've got in the broad area that we're talking about? I mean, the diverse cultures, and countries. Can you think past the year 2000?

MR. SOLOMON: We can think in broad structural terms. Remember, it was after World War II that the men who were constructing American policy tried to build the mechanisms of economic reconstruction in Europe, that led to the structure that got us through the Cold War period, and fortunately got us through successfully.

They also in the context of the confrontation with the Soviet Union created a security structure appropriate to those times. It's in that context that we look, for example, at APEC and that we look at the value of maintaining this loose structure of bilateral alliances of setting the broad framework in which this region we think is most likely to go through another cycle of development into the coming century.

Economic growth is — through trade — is likely to be a critical aspect of that growth, the creation of a Pacific community. Indeed, let me just say that Secretary of State Baker will be publishing in Foreign Affairs Quarterly an article on this topic that will come out just on the eve of the President's trip to Asia in the end of November, and we will try to lay out this broad conception of where the world is headed.

So, Secretary Baker is trying to give that sense of direction for the future in the broadest sense with the APEC organization being a very important structural element in our approach to the Asia-Pacific region into the coming century.

MR. REYNOLDS: Thanks, Dr. Solomon. We're going to try Jakarta again. Jakarta, go ahead please.

Q: Dr. Solomon, good evening. I'm — (name inaudible) — foreign affairs editor of the daily — (affiliation inaudible).

My question, Dr. Solomon, is the following: Out of the four remaining hard-core communist regimes in the world, Cuba, Vietnam, North Korea, and China, three are in Asia. I suppose that naturally this state of affairs is not without implications for US strategy in the Asia-Pacific.

What are those implications and what would be your suggestions for a regional policy? Thank you.

MR. SOLOMON: Well, that's an interesting question, and let me just say that certainly in the case of China, we have worked productively with China during much of the 1970s and '80s despite our very significant differences in political system and social structure values, et cetera. And President Bush has emphasized the importance to both countries of maintaining a policy of engagement. He supports the idea of maintaining a strong trading relationship with China, wanting to encourage the kinds of reforms that China pursued during the 1980s.

Now, throughout the world, and certainly in the case of the other countries you mentioned, Vietnam and Korea, these various countries are faced with a profound dilemma. The economic progress of the free market countries, those who have developed their economies through participation in the global marketplace, have demonstrated a great dynamism and this has led many countries who had formerly tried to follow a Marxist-Leninist or a socialist path to turn to market approaches and decentralization in their economic structure as a way of developing their economies, rather than centrally controlled economies.

There are different mixes, but that is certainly the trend of the future. And we welcome that kind of development. The other thing we have seen is that if you have that kind of economic opening up, its natural ally or natural consequence is a trend towards — or pressures towards political opening up. That is not something imposed from the outside, it's just the fact that if you open a country up to foreign investment, to trade with the outside world, to information that naturally flows as part of involvement with the world community, the desire of people for political reforms that go along with economic reform just follows night as day.

Indeed, one of the things that people often miss is that the tragedy suffered by China at Tiananmen in — 1989, sorry, was really the result of the pressures generated by a decade of nearly 10 percent a year growth. That's the consequence of having economic reform and growth without consequent political reform.

So, we think that's just a dilemma that reflects the realities of the process of modernization and we hope that all the countries you've mentioned will face up to this fact. We hope they will not be like Burma, let us say, where leadership has almost purposefully chosen not to develop the economy of the country and to remain backward.

We believe that certainly China and Vietnam want to develop their economies and that inevitably there will be the issues of political reform. We don't want to see that be a chaotic process. But we believe there's an inevitability to it.

North Korea's harder for us estimate what the intentions are. It's been a very isolated country. We are very concerned about North Korea meeting its international responsibilities as a signatory to the nuclear non- proliferation treaty. But we think here again, in the competition between South Korea and North Korea over the past four decades, it's very clear who has come out ahead.

And if North Korea wants to develop its economy, it seems to me inevitably issues of political reform will arise as it confronts economic reform.

Q: Dr. Solomon, you have repeated claims that your military presence in the region has brought very good stability. But several ASEAN leaders disagree with you, — (inaudible) — in Cambodia and in Philippines and what is your comment? Thank you.

MR. SOLOMON: Well, you said several ASEAN leaders disagreed with the view that our presence brought stability. I notice you didn't mention who those leaders might be, and perhaps you could give me a more specific example, a quotation or something. I — because, frankly, I'm not aware that there has been a strong voice here or there calling for the United States to end its security presence in the region.

Cambodia, our role certainly in the past several years has been to contribute to a political settlement which we think will bring stability to the region. We don't play a direct defense role. So I'm a little unclear about your reference there.

In the case of the Philippines, there's a very interesting situation where the Senate, it is true, rejected the recent bases agreement but that 70 percent or so of the population still seems to want to maintain a relationship with the United States. That situation is still developing. But our experience is that if the Philippine people and government decide that it's time to end the base arrangement, we are certainly going to honor that decision. And in that context, we have found interest in a number of countries in the region in picking up or increasing defense cooperation.

A good example would be the base access agreement we recently signed with Singapore. Other ASEAN countries have also expressed an interest in increasing defense cooperation. So we will maintain defense relations where they are desired. We will not try to stay where we are not wanted. But on the whole, we believe that people welcome our defense presence and as our earlier question indicated, that presence may be adjusted, maybe even reduced a little bit in this new world environment. But the United States does intend to maintain a stabilizing role in the region for the long term.

MR. REYNOLDS: Jakarta, thank you very much. Hong Kong, your question, please?

Q: Good morning, Dr. Solomon. I'm — (name inaudible) — from Hong Kong Daily News. In welcoming the USA's support for the — (inaudible) — voluntary repatriation program, I'm still — (inaudible) — because in (the first section?) you stated that the importance of Vietnam's economic development in diminishing the problem of Vietnam refugees, but it seems that the (oppose?) of the USA in the formation of a support group to — (inaudible) — and fund the restructuring of its economic — (inaudible) — and to what extent do you think it will affect the perception that such (package?) is a sign that USA still (object?) the orderly repatriation? Thank you.

MR. SOLOMON: Well, we are not at all opposed to the kind of development in the Indochina area that will lead to broad growth. And, indeed, that is fundamental to not only our effort to bring a political settlement to Cambodia, but then to build on that according to the so-called road map or the approach that we spelled out to the Vietnamese in April of this year to which we could build on a Cambodia settlement, to then over a period of time, step by step, normalize America's relations with Vietnam as well as the other countries of Indochina.

Now, at the recent IMF-World Bank meeting in Bangkok, the activities proceeded in a context where the Cambodia settlement has not yet been signed. And we have indicated that once there is a signing of the agreement and as Vietnam helps us resolve our remaining concerns about our POW-MIA issues, that — and other humanitarian concerns, that we will then proceed step by step in the way that we have told Vietnam to improve our relations.

We do not want to stand in the way of improvements in Vietnam's economic development, once we have that settlement in Cambodia, and as Vietnam helps us resolve our concerns about POW-MIA. So that in that context, you should not read our recent position in Bangkok as an unrelenting opposition to helping Vietnam get on the track of development. But we have laid out our policy very clearly. We want to avoid any confusion or situation where we would not have support in the United States for normal relations with Vietnam. And our policy is designed to step by step build that support.

In that context, assuming we've had the signing in Paris and the other developments relating to POW-MIA, I think we can anticipate over a several year period steady progress in terms of our relations with Vietnam and improvements in the economic policies that you're referring to.

Q: (Name inaudible) — from Hong Kong Daily News again. May I know your reaction towards the (rebuff?) of the bill introduced by Mitch McConnell, a Republican from Kentucky by the spokesman of China's foreign ministry? Thank you.

MR. SOLOMON: I'm not sure exactly what you're referring to. If you could be a bit more specific, perhaps I could answer your question.

Q: Yes. I want to know your reaction to the (rebuff?) by the China's — by the spokesman of China's foreign ministry on the bill introduced by Mitch McConnell, a Republican from Kentucky. And what he proposed is that he will deal with Hong Kong — he will define the Hong Kong policy to 1997.

MR. SOLOMON: I think you asked me to respond to the statement of the Chinese foreign ministry, and I frankly

\* PAGE 17 PAGE 17 EPF505 have not read that. So I really should not comment on something I haven't read.

Q: So if I — if I — sorry. (Name inaudible) — from Hong Kong Daily News again. If I read it to you, can you make a response for it?

MR. SOLOMON: Well, if you want to. I don't know how long the statement is, but you could read it if you wish.

Q: (Inaudible) — the Hong Kong question is a matter of China and the United Kingdom. So it is inappropriate for other people to meddle in it.

MR. SOLOMON: Well, again, since I'm only responding to what — things I have not read, I'm a little cautious, but let me say our basic position has been that we wanted Great Britain and China to work out their differences. They, in our view, signed a good agreement in 1984 that would shape the future of Hong Kong and we have wanted to see that agreement fully implemented. And I think that is our basic position.

Q: Can we ask one more follow-up question from Hong Kong about your earlier response about the boat people? We've received reports that in the next couple of days Britain and Vietnam will sign an agreement for the repatriation, not necessarily voluntary, of all boat people in Hong Kong. And we'd like to know what your reaction is to that and how the US can continue to oppose repatriation when your relations appear to be — continue to be improving.

MR. SOLOMON: Well, I'll end up repeating myself, but, again, we are opposed to forced repatriation. And I — I won't go over again all the things I said earlier about our support for the comprehensive plan of action and for repatriation on the basis of voluntary agreement and not objecting to terms of repatriation, particularly where you have international monitoring. That basically remains our — our policy.

And it's in that context, as I said previously, that we hope we will see a new environment created in Indochina as a result of the Cambodia settlement, as the result of moves to improve US relations with Vietnam, and that in that context you will see a move towards economic reform and development, and that will solve the basic problem that has underlain the economic — I'm sorry, the migration of many of these people for economic reasons.

We also, of course, hope there will be political reform as part of this, and so some of the aspects of political repression that also have led people to leave will be changed, and that in that context the region will be stabilized and Vietnam, along with the other countries of Indochina, will join Southeast Asia in rapid economic development. That's the way to solve the refugee problem.

MR. REYNOLDS: Hong Kong, thank you. Kuala Lumpur, back to you.

Q: Dick, this is — (name inaudible) — again. You mentioned quite a bit about APEC and I suspect perhaps that there is a vision in the United States that APEC will form the basis of a stable Asia-Pacific region as we go into the 21st century, and I look forward to Secretary Baker's forthcoming Foreign Affairs article. But — (inaudible) — here in Kuala Lumpur about American opposition to the idea of the East Asian Economic Grouping, EAEG, which has become the East Asian Economic Caucus, and charges basically that there is American opposition to indigenous initiatives in terms of regional economic cooperation. I wonder if you'd comment on that.

MR. SOLOMON: We do have a different view on this issue. And it begins with the fact that we have always wanted the ASEAN grouping, the ASEAN countries to be at the core of development in the Pacific Basin more broadly. And that was the underlying commitment when we began the APEC process. But we think it's very important to bring people together, not to split them apart. And the idea of APEC is that it is an inclusive organization. It brings together the natural trading partners of the Pacific Basin to discuss things that will remove bottlenecks to further growth. So that is why APEC is looking at human resource development, at transportation or telecommunications bottlenecks and energy needs of the region, tourism, investment flows, the things that if we identify problem areas, we can collectively take action which will bring about another cycle of very dynamic growth in this very strong region.

Now, if you have a competing conception that splits off, that creates a confrontation between the countries of East Asia and their trading partners on the other side of the Pacific, it seems to me that that kind of approach holds some real political dangers. So, as Secretary Baker has repeatedly said, we strongly stand behind APEC and we think the idea of drawing a line down the Pacific that would set the countries of Asia off against their natural trading partners is not a very productive way to proceed.

MR. REYNOLDS: Kuala Lumpur, thank you. Let's go back to Hong Kong for a moment.

Q: Hello, Dr. Solomon, Deborah Wong (sp) from National Public Radio. I'd like to follow up on the boat people issue. As you know, there is extreme frustration in Hong Kong about US policy. I think this perception is the United States is standing in the way of a settlement on this issue. There have been charges that the United States is being hypocritical in its opposition to forced repatriation, that this is a practice that is routinely carried out in the United States against illegal immigrants from countries such as Haiti which also have lousy human rights records.

There is a charge that, you know, if these are economic migrants and if you're concerned about the economy of Vietnam, you know, why is the United States continuing to embargo Vietnam 15 years after the end of the war? I mean, the charges go on and on.

I think there's a broad perception that US policy on this issue is completely hypocritical. And I think everyone is looking now to the United States to, you know, to wonder what — how you are going to react this agreement that should be announced in the next few days with Vietnam. And I wonder if you could respond to some of these charges?

MR. SOLOMON: Well, you're hitting me with a heavy baseball bat there, but let me say the following: The fact that you've had a continuing outflow of people both political and economic migrants from Vietnam has, I think, been some indication of the difficult situation in that country. And it is true that we do return economic migrants to countries where we believe the internal situation is not as systematically repressive as it has been in Vietnam.

I think at this point there's been so much progress made in terms of the Cambodia situation, that the whole context of our involvement in Indochina is — seems to me likely to evolve in a — in a much more productive way. It is our hope, of course, that the UN presence in Cambodia will stabilize the situation, demobilize the military forces, repatriate the refugees there, and create a context where perhaps building on some of the new ideas of reform that were recently expressed just in the last day or so at the party congress in Phnom Penh we can see a new and constructive situation develop there.

In that context, we look forward on the basis that I've indicated, that is signing the Paris agreement, and dealing with our POW-MIA and humanitarian concerns, to then normalizing relations with Vietnam. We believe the time has come to work in this context, which, of course, is taking place in a much more dynamic and improving global situation to look to the future, to look at ways of improving relations. We want to be optimistic and, frankly, in this context that we hope we will see the kinds of developments in Vietnam that will resolve the refugee issue because we think we've now cut to the heart of the problem.

\* PAGE 20 PAGE 20 EPF505 It will take a certain amount of time for the effects of the Cambodia settlement to be fully felt to play themselves out elsewhere, but we think we're on a positive track and it's hopeful in this context that the large boat people flows of the early 1980s will end, that Vietnam will begin to develop its economy, and we will see a new context in which the refugee problem will be resolved.

MR. REYNOLDS: And with that, I'm afraid our time is up. Our thanks to Dr. Solomon for joining us today, and to all of our participants in Kuala Lumpur, Wellington, Jakarta and Hong Kong. In Washington, I'm Jack Reynolds for WORLDNET's "Dialogue." (end transcript)